

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2345 - HB 2346

March 4, 2014

SUMMARY OF BILL: Establishes the Underground Utility Enforcement Board within the Tennessee Regulatory Authority (TRA). Requires, by January 1, 2017, that all underground utilities be installed in a manner that renders the installed equipment locatable utilizing a generally-accepted electronic locating method. Requires all utility operators to join the Tennessee One-Call program. This requirement is phased in over a period of three years based upon the size of the utility. Requires all utility operators to report damage with the Damage Information Reporting Tool. Revises penalties for violations of the Underground Utility Damage Prevention Act.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - There will be increases in expenditures to local governments including local transportation authorities and locally owned utilities. However, due to multiple unknown factors such as the number of impacted entities, the extent of current participation of such entities, and the number of future utility damage incidents the impact cannot reasonably be quantified.

Assumptions:

- TRA is a self-funded entity through fees, fines, and penalty revenue.
- According to TRA, the Authority will require additional positions for implementing the provisions of this bill; however, TRA indicates that such positions will be financially supported by the stakeholders involved and any penalties the Authority may collect.
- TRA indicates no impact to the state General Fund.
- There will be increases in expenditures to local governments including local transportation authorities and locally owned utilities; however such impacts are dependent upon several unknown factors such as the number of impacted entities, the extent of current participation of such entities, and the number of future utility damage incidents. Given the extent of unknown factors, the extent of any increased expenditures for local government cannot be quantified.
- The bill is a result of the work performed by the study committee formed pursuant to Public Chapter 65 of 2013.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- Based on the information received for this bill regarding the commerce impact statement, any net impact to commerce and to Tennessee jobs is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/cce